§ 96.287

§ 96.287 Change in regulatory status.

(a) Notification. If a CAIR SO_2 opt-in unit becomes a CAIR SO_2 unit under $\S 96.204$, then the CAIR designated representative shall notify in writing the permitting authority and the Administrator of such change in the CAIR SO_2 opt-in unit's regulatory status, within 30 days of such change.

(b) Permitting authority's and Administrator's actions. (1) If a CAIR SO₂ opt-in unit becomes a CAIR SO₂ unit under §96.204, the permitting authority will revise the CAIR SO₂ opt-in unit's CAIR opt-in permit to meet the requirements of a CAIR permit under §96.223, and remove the CAIR opt-in permit provisions, as of the date on which the CAIR SO₂ opt-in unit becomes a CAIR SO₂ unit under §96.204.

(2)(i) The Administrator will deduct from the compliance account of the source that includes a CAIR SO_2 opt-in unit that becomes a CAIR SO_2 unit under §96.204, CAIR SO_2 allowances equal in amount to and allocated for the same or a prior control period as:

(A) Any CAIR SO_2 allowances allocated to the CAIR SO_2 opt-in unit under §96.288 for any control period after the date on which the CAIR SO_2 opt-in unit becomes a CAIR SO_2 unit under §96.204; and

(B) If the date on which the CAIR SO₂ opt-in unit becomes a CAIR SO₂ unit under §96.204 is not December 31, the CAIR SO₂ allowances allocated to the CAIR SO₂ opt-in unit under §96.288 for the control period that includes the date on which the CAIR SO₂ opt-in unit becomes a CAIR SO₂ unit under §96.204, multiplied by the ratio of the number of days, in the control period, starting with the date on which the CAIR SO2 opt-in unit becomes a CAIR SO₂ unit under §96.204 divided by the total number of days in the control period and rounded to the nearest whole allowance as appropriate.

(ii) The CAIR designated representative shall ensure that the compliance account of the source that includes the CAIR SO₂ opt-in unit that becomes a CAIR SO₂ unit under §96.204 contains the CAIR SO₂ allowances necessary for

completion of the deduction under paragraph (b)(2)(i) of this section.

 $[70~{\rm FR}~25362,~{\rm May}~12,~2005,~{\rm as}$ amended at 71 FR 25390, Apr. 28, 2006; 71 FR 74794, Dec. 13, 2006]

\S 96.288 CAIR SO $_2$ allowance allocations to CAIR SO $_2$ opt-in units.

(a) Timing requirements. (1) When the CAIR opt-in permit is issued under §96.284(e), the permitting authority will allocate CAIR SO₂ allowances to the CAIR SO₂ opt-in unit, and submit to the Administrator the allocation for the control period in which a CAIR SO₂ opt-in unit enters the CAIR SO₂ Trading Program under §96.284(g), in accordance with paragraph (b) or (c) of this section.

(2) By no later than October 31 of the control period after the control period in which a CAIR SO₂ opt-in unit enters the CAIR SO₂ Trading Program under §96.284(g) and October 31 of each year thereafter, the permitting authority will allocate CAIR SO₂ allowances to the CAIR SO₂ opt-in unit, and submit to the Administrator the allocation for the control period that includes such submission deadline and in which the unit is a CAIR SO₂ opt-in unit, in accordance with paragraph (b) or (c) of this section.

- (b) Calculation of allocation. For each control period for which a CAIR SO_2 opt-in unit is to be allocated CAIR SO_2 allowances, the permitting authority will allocate in accordance with the following procedures:
- (1) The heat input (in mmBtu) used for calculating the CAIR SO₂ allowance allocation will be the lesser of:
- (i) The CAIR SO₂ opt-in unit's baseline heat input determined under §96.284(c); or
- (ii) The CAIR SO₂ opt-in unit's heat input, as determined in accordance with subpart HHH of this part, for the immediately prior control period, except when the allocation is being calculated for the control period in which the CAIR SO₂ opt-in unit enters the CAIR SO₂ Trading Program under \$96.284(g).
- (2) The SO_2 emission rate (in lb/mmBtu) used for calculating CAIR SO_2 allowance allocations will be the lesser of: